

**United States District Court** 

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disclosure of trade secrets to a competitor" outweighs "the risk . . . that protection of . . . trade secrets [will] impair[] prosecution [of the discovering party's] claims."

Roots has persuasively demonstrated that disclosure of the content of the Distribution Agreement and Letter of Understanding in public court filings would impair ongoing negotiations – for distribution rights in the Middle East and Africa – between Roots and two apparel companies. Because the Distribution Agreement and Letter of Understanding represent the last two agreements entered into by Roots with a clothing manufacturer or supplier, there is a significant risk that Roots' bargaining partners could rely on the terms set forth in the documents to influence current negotiations.

On the other hand, Gap has not explained how prosecution of its claims would be prejudiced by the confidentiality order Roots seeks. Even if Gap were required to redact reference to the documents in their papers and file copies of the documents under seal, Gap is still entitled to share the documents – fully and unredacted – with its counsel, experts, employees and witnesses. Moreover, a confidentiality order would not preclude Gap from relying on the documents in its papers and throughout the litigation. While Gap may find it annoying to limit reference to the documents in public filings, there can be no serious argument that a confidentiality order would be prejudicial. Accordingly, the Court hereby upholds Roots' confidentiality designations of the Distribution Agreement and Letter of Understanding.

IT IS SO ORDERED.

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Dated: February 1, 2008

UNITED STATES DISTRICT JUDGE

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